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State Comptroller Nancy Wyman

Good morning Senator Harp, Representative Geragosian, Senator DeBicella, Representative Miner, and members of the Appropriations Committee. For the record, I am State Comptroller Nancy Wyman. I am here this morning to briefly address the Governor's Biennial Budget for FY 2010 and FY 2011 as it pertains to the Office of the State Comptroller and Miscellaneous Accounts Administered by the Comptroller.

I am pleased that the Personal Services line suggested by the Governor includes the transfer of 26 positions from the Department of Information Technology. These are positions permanently assigned to work on the Core-CT system, and their inclusion within the Comptroller's Office – which was recommended by an independent consultant commissioned by the Governor over two years ago – will help provide a more sensible structure for the Core-CT support team. In addition, 2 positions from my office are being transferred to DAS as part of the same initiative.

It should be noted that the Other Expense budget recommended for my office is less than the current spending level. I am in the process of looking at all contracts held by my

office with the hope that through cancellation or renegotiation, as well as further efforts aimed at finding efficiencies and streamlining processes, I will be able to reduce some of the costs of operating my agency. However, I have recently been made aware that analyses and opinions requested of the State Employees Retirement Fund actuaries on behalf of my office and the legislature can no longer be paid for through the State Employees Retirement Fund, but rather must be budgeted and paid for through my agency's Other Expense line. The resulting impact is that I will need additional funding in my Other Expense line, which I will work with the Subcommittee on.

In addition, I will also work with the Subcommittee on the reallocation of funding from the Other Expense line of the Department of Information Technology. The purpose of the reallocation is to cover the cost of providing continued Disaster Recovery measures for the State's Core-CT system, which DOIT is currently paying for through its budget.

With regard to the Miscellaneous Accounts administered by my office, I am concerned about the \$5 million reduction to the budget for Active State Employee Healthcare attributable to an "Audit of Health Care Coverage," which would seek to identify individuals who currently may not qualify for benefits (i.e. a former spouse) to help find savings to our healthcare budget. Without funds to undertake such an audit, and with no additional staff resources provided, it may not be possible to complete a project of this magnitude. However, we are attempting to identify firms which can prepare an audit that will accept payment on the basis of savings generated.

As I do every year, I would remind you that any changes made by the legislature to the overall employee base need to be reflected in the fringe benefit accounts, as well.

Finally, my office is in the process of assessing the impact of the Retirement Incentive Plan recently proposed by the Governor. As the Comptroller's office is responsible for processing and auditing each individual retirement application, such a plan will result in a significant impact on my agency for which resources must be made available. I will be

working with our Subcommittee on this issue, as well as readjusting figures for our Active and Retiree Healthcare accounts if this proposal is approved.

I look forward to working with the Subcommittee on these matters in upcoming weeks. If there are any questions that members of the full Appropriations Committee have on any part of the state budget in the coming months, please do not hesitate to contact me. My staff and I are pleased to answer any questions you may have at this time.

